

1988

S Corporation Franchise or Income Tax Return

100S

MONTH

DAY

YEAR

MONTH

DAY

YEAR

For income year beginning _____, and ending _____

Affix Preaddressed Label

California corporation number

FEIN

Corporation name

Address

City

State

ZIP code

Questions

A Final return? ☐ Dissolved ☐ Withdrawn ☐ Merged/Reorganized☐ IRC Section 338 Sale If a box is checked, enter date _____

B First Return? (Check appropriate box(es)).

☐ New business or successor to previously existing business operated as a:☐ sole proprietorship ☐ partnership ☐ joint venture ☐ corporation ☐ other

(attach statement showing name, address and FEIN of previous business)

C Date business began in California or date income was first derived from

California sources _____

D Has the federal government redetermined your income tax liability for any prior year(s) which has not previously been reported? ☐ Yes ☐ No

If yes, furnish copy of agent's report under separate cover.

E Date incorporated _____ • Where? _____

F Did this corporation have a change in control or ownership this year, or acquire ownership or control of any other legal entity since 1/1/80? ☐ Yes ☐ NoG Did the corporation pay more than \$100,000 in local personal property taxes and/or business license taxes in California during this income year? ☐ Yes ☐ No

H Principal business activity code _____

I Check here only if claiming enterprise zone or program area tax benefits: ☐J Check here only if claiming technological property contribution tax benefits: ☐

K Effective date of federal election _____

L Effective date of California election _____

M Accounting method used _____

N Location of principal accounting records _____

O Enter corporation "doing business as" name _____

State
adjust-
ments

1	Net income (loss) before state adjustments (see instructions)	1	
2	Amount deducted for foreign or domestic tax based on income or profits	2	
3	Interest on government obligations	3	
4	Net capital loss carryover deducted on Schedule K	4	
5	Contributions (see instructions)	5	
6	Other additions (attach schedule)	6	
7	Total. Add lines 1 through 6	7	
8	Deductible dividends	8	
9	Capital losses not deducted on Schedule K (attach schedule)	9	
10	Net interest deduction for enterprise zone/program area investment	10	
11	Other deductions (attach schedule)	11	
12	Total. Add lines 8 through 11	12	
13	Net Income (loss) after state adjustments. Subtract line 12 from line 7	13	

If all income is derived from California sources, transfer the amount from line 13 to line 14. If income is derived from sources both within and without California, complete Schedule R and transfer the amount from Schedule R, line 24 to line 14 below.

Calif. net income	14	Net income (loss) for state purposes	14	
	15	R&TC Section 23802(e) deduction	15	
	16	Net operating loss (attach form FTB 3805Q)	16	
	17	Net income for tax purposes. Subtract the total of line 15 and line 16 from line 14	17	
Taxes	18	Tax _____% x amount on line 17 (see General Instruction B)	18	
	19	Tax credits (see Specific Instructions)	19	
	20	Balance. Subtract line 19 from line 18 (not less than minimum tax if applicable)	20	
	21	Built-in gains tax. Attach Schedule D (100S)	21	
	22	Excess net passive income tax (see instructions)	22	
	23	Total tax. Add lines 20 through 22	23	
Pay- ments	24	a Overpayment from prior year allowed as credit	24a	
		b 1988 estimated tax payments	24b	
		c Amount paid with application for extension of time to file return	24c	
		d Dissolving/Withdrawing - Not applicable if formed after 1971 (See Gen. Instr. I)	24d	
	25	Tax due. Subtract line 24 from line 23. Pay this amount with return	25	
	26	Overpayment. Subtract line 23 from line 24	26	
Amount due or refund	27	Enter amount of line 26 to be credited to 1989 estimated tax	27	
	28	Enter amount of line 26 to be refunded	28	
	29	Penalties and interest (see General Information M and N)	29	
		<input type="checkbox"/> Check box if estimate penalty was computed using Exception C or Exception D and attach form FTB 5806		
	30	Total amount due. Pay amount with return	30	

(a) Nature of Tax	(b) Taxing Authority	(c) Amount
Total Taxes Deducted. Enter here and on Schedule F, line 12		

Depreciation for assets placed in service on or before 12/31/86 and before the corporation was an S corporation for California purposes.

[illegible]

2	California depreciation for assets placed in service on or after January 1, 1987, and after the corporation was an S Corporation for California purposes. See instructions and enter the amount from line 5 of Worksheet D in the instructions	2		
3	Total California depreciation. Add line 1(g) and line 2.	3		
4	Total California amortization. See instructions	4		
5	Total depreciation and amortization. Add line 3 and line 4. Enter the total here and on Schedule E line 14a	5		

1	Jobs tax credit (form FTB 3524)	5	Commercial solar energy credit (form FTB 3805L)
2	Energy conservation credit carryover (form FTB 3514)	6	Technological prop. contribution credit carryover
3	Research and development (form FTB 3523) ..	7	Other (attach schedules)
4	Orphan drug credit (form FTB 3528)	8	Total. Enter here and on Side 1, line 19

1	Inventory at beginning of year	1		
2	Purchases	2		
3	Cost of labor	3		
4	a Additional IRC Section 263A costs (attach schedule)	4a		
	b Other costs (attach schedule)	4b		
5	Total. Add lines 1 through 4	5		
6	Inventory at end of year	6		
7	Cost of goods sold and/or operations. Subtract line 6 from line 5. Enter here and on Schedule F, line 2	7		

Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to the corporation? ☐ Yes ☐ No

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer (other than the taxpayer) is based on all information of which preparer has any knowledge.			
	Signature of officer ▶	Title	Date	Telephone ()
Paid Preparer's Use Only	Preparer's signature ▶	Date	Check if self-employed ▶ <input type="checkbox"/>	Preparer's SSN/FEIN
	Firm's name (or yours, if self-employed) and address ▶	E.I. No. ▶		Telephone ▶ ()

Schedule E Compensation of Officers. Complete only if total receipts (Schedule F, line 1a) are \$150,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	(d) Percent of stock owned	(e) Amount of compensation
1		%	%	
		%	%	
		%	%	
		%	%	
2 Total compensation of officers				
3 Less: Compensation of officers claimed in Schedule V and elsewhere on return				
4 Compensation of officers deducted on Schedule F, line 7				

Schedule F Computation of trade or business income.**Caution:** Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	1 a Gross receipts or sales	b Less returns and allowances	Balance ▶	1c	
	2 Cost of goods sold and/or operations (Schedule V, line 7)			2	
	3 Gross profit (subtract line 2 from line 1c)			3	
	4 Net gain (or loss) from Schedule D-1, line 9			4	
	5 Other income (see instructions - attach schedule)			5	
	6 TOTAL income (loss). Add lines 3 through 5			6	
Deductions	7 Compensation of officers			7	
	8 Salaries and wages			8	
	9 Repairs			9	
	10 Bad debts			10	
	11 Rents			11	
	12 Taxes			12	
	13 Deductible interest expense not claimed or reported elsewhere on return			13	
	14 a Depreciation and Amortization from Schedule B, line 5	14a			
	b Dep'n and Amort'n reported on Schedule V, Schedule K and elsewhere on return	14b			
	c Subtract line 14b from line 14a			14c	
	15 Depletion			15	
	16 Advertising			16	
	17 Pension, profit-sharing, etc. plans			17	
	18 Employee benefit programs			18	
	19 Other deductions (attach schedule)			19	
	20 TOTAL deductions. Add lines 7 through 19			20	
	21 Ordinary income (loss) from trade or business activity(ies). Subtract line 20 from line 6			21	

Schedule K Net Income before state adjustments

Income	1 Ordinary income (loss) from trade or business activity(ies) (Schedule F, line 21)		1	
	2 a Gross income from rental real estate activity(ies)	2a		
	b Minus expenses (attach schedule)	2b		
	c Balance: net income (loss) from rental real estate activity(ies)		2c	
	3 a Gross income from other rental activity(ies)	3a		
	b Minus expenses (attach schedule)	3b		
	c Balance: net income (loss) from other rental real estate activity(ies)		3c	
	4 Portfolio income (loss):			
	a Interest income		4a	
	b Dividend income		4b	
Deductions	c Royalty income		4c	
	d Capital gains and (losses) from Schedule D (100S), Part I, line 4		4d	
	e Other portfolio income (loss) (attach schedule)		4e	
	5 Net gain (loss) under IRC Section 1231 (other than due to casualty or theft)		5	
	6 Other income (loss) (attach schedule)		6	
	7 TOTAL income. Add lines 1 through 6		7	
	8 Charitable contributions (attach schedule)	8		
	9 Expense deduction for recovery property (R&TC Section 17252.5 and 17265)	9		
	10 Expenses related to portfolio income (loss) (attach schedule) (see instructions)	10		
	11 Interest expense on investment debts	11		
	12 Other deductions (attach schedule)	12		
	13 TOTAL deductions. Add lines 8 through 12		13	
	14 Net income before state adjustments. Subtract line 13 from line 7. Enter here and on Side 1, line 1		14	

Schedule L Balance Sheets	Beginning of income year		End of income year	
Assets	(a)	(b)	(c)	(d)
1 Cash				
2 Trade notes and accounts receivable				
a Less allowance for bad debts				
3 Inventories				
4 Federal and state government obligations				
5 Other current assets (attach schedule)				
6 Loans to shareholders				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9 Buildings and other fixed depreciable assets				
a Less accumulated depreciation				
10 Depletable assets				
a Less accumulated depletion				
11 Land (net of any amortization)				
12 Intangible assets (amortizable only)				
a Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Stockholders' Equity				
15 Accounts payable				
16 Mtges., notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 Loans from stockholders				
19 Mtges., notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Capital stock				
22 Paid-in or capital surplus (attach reconciliation)				
23 Accumulated adjustments account				
24 Other adjustments account				
25 Shareholders' undistributed taxable income previously taxed				
26 Other retained earnings (see instructions)				
Check this box if the corporation has subchapter C earnings and profits at the close of the income year <input type="checkbox"/> (see instructions)				
27 Total retained earnings per books—Combine amounts on lines 23 thru 26, columns (a) and (c) (see inst.)				
28 Less cost of treasury stock		()		()
29 Total liabilities and shareholders' equity				

Schedule M Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (If Schedule L, column (c) amounts for lines 23, 24, or 25 are not the same as corresponding amounts on line 9 of Schedule M, attach a schedule explaining any differences. See instructions.)

	Accumulated adjustments account	California adjustments account	Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of year			
2 Ordinary income from Schedule F, line 21			
3 Other additions			
4 Add lines 1 through 3			
5 Distributions other than dividend distributions			
6 Loss from Schedule F, line 21			
7 Other reductions			
8 Add lines 5 through 7			
9 Balance at end of income year. Subtract line 8 from line 4			